

# FYE 2009 Review - Annual Financial Report

School District: Danville Independent  
 Audit Firm Name: Critchfield & Critchfield, CPAs  
 Date: 2/7/2010  
 1st Audit Reviewer: Kem Delaney-Ellis  
 2nd Audit Reviewer:

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|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments   |
|--|----------------|---------------|---------------|---------------|---------------|--|
| <b>Fund 1 (General) (110)</b>                                |                |               |               |               |               |  |
| Revenue (Local) - 1XXX                                       | 6,522,668.20   | 6,693,759.68  | -171,091.48   | 6,693,760.00  | -0.32         |  |
| Revenue (State) - 3900 (On-Behalf Payments)                  | 0.00           | 3,143,887.00  | -3,143,887.00 | 0.00          | 3,143,887.00  |  |
| Revenue (State) - 3XXX (Not 3900)                            | 6,343,608.97   | 6,343,608.97  | 0.00          | 9,487,496.00  | -3,143,887.03 |  |
| Revenue (Federal) - 4XXX                                     | 0.00           | 0.00          | 0.00          | 404,579.00    | -404,579.00   |  |
| Total Revenues   | 12,866,277.17  | 16,181,255.65 | -3,314,978.48 | 16,585,835.00 | -404,579.35   |  |
| Expenditures-Not including Transfers Out or On Behalf        | 12,722,313.53  | 12,781,666.70 | -59,353.17    | 15,925,553.00 | -3,143,886.30 |  |
| Expenditures-On Behalf                                       | 0.00           | 3,143,887.00  | -3,143,887.00 | 0.00          | 3,143,887.00  |  |
| Total Expenditures   | 12,722,313.53  | 15,925,553.70 | -3,203,240.17 | 15,925,553.00 | 0.70          |  |
| Excess (Deficiency) of Revenues Over Expenditures            | 143,963.64     | 255,701.95    | -111,738.31   | 660,282.00    | -404,580.05   | See page 12 of audit report  |
| Other Financing Sources - Not Transfers In                   | 51,982.02      | 51,982.02     | 0.00          | 51,980.00     | 2.02          |  |
| Other Financing Sources - Transfers In Only - 52XX Transfers | 404,578.75     | 404,578.75    | 0.00          | 0.00          | 404,578.75    |  |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Other Financing Uses - Transfers Out Only                    | 360,933.73     | 360,933.73    | 0.00          | 360,934.00    | -0.27         |  |
| Total Other Financing Sources, Uses and Transfers            | 95,627.04      | 95,627.04     | 0.00          | -308,954.00   | 404,581.04    |  |
| Net Change in Fund Balance                                   | 239,590.68     | 351,328.99    | -111,738.31   | 351,328.00    | 0.99          |  |
| Beginning Fund Balance - July 1                              | 2,010,986.64   | 2,010,986.64  | 0.00          | 2,686,650.00  | -675,663.36   | Beginning balance differences to be determined   |
| Ending Balance - June 30                                     | 2,250,577.32   | 2,362,315.63  | -111,738.31   | 3,037,978.00  | -675,662.37   |  |
|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments   |
| <b>On-Behalf Payments Comparison - Fund 1</b>                |                |               |               |               |               |  |
| On-Behalf Revenues by Fund                                   | 0.00           | 3,143,887.00  | -3,143,887.00 | 0.00          | 3,143,887.00  | On behalf payments are not separated; refer to page 34 of audit report total sum \$3,143,887 |
| On-Behalf Expenditures by Fund                               | 0.00           | 3,143,887.00  | -3,143,887.00 | 0.00          | 3,143,887.00  |  |
| Difference   | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |

|   | Un-audited AFR | Audited AFR  | Difference | Audit Report | Difference | Comments |
|---|----------------|--------------|------------|--------------|------------|----------|
| Fund 2 (Special Revenue) (220)                                |                |              |            |              |            |          |
| Revenue (Local) - 1XXX  | 539,694.94     | 540,243.94   | -549.00    | 540,243.00   | 0.94       |          |
| Revenue (State) - 3900 (On-Behalf Payments) not project 168X  | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3900 (On-Behalf Payments) project 168X only | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) – 3XXX (not 3900)                             | 1,090,004.54   | 1,090,004.54 | 0.00       | 1,090,005.00 | -0.46      |          |
| Revenue (Federal) – 4XXX                                      | 1,565,311.44   | 1,565,311.44 | 0.00       | 1,565,312.00 | -0.56      |          |
| Total Revenues  | 3,195,010.92   | 3,195,559.92 | -549.00    | 3,195,560.00 | -0.08      |          |
| Expenditures-Not including Transfers Out and not 0280         | 3,216,227.22   | 3,216,227.22 | 0.00       | 3,216,227.00 | 0.22       |          |
| Expenditures-On Behalf without object 168X                    | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Expenditures-On Behalf with object 168X only                  | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Total Expenditures  | 3,216,227.22   | 3,216,227.22 | 0.00       | 3,216,227.00 | 0.22       |          |
| Excess (Deficiency) of Revenues Over Expenditures             | -21,216.30     | -20,667.30   | -549.00    | -20,667.00   | -0.30      |          |
| Other Financing Sources - Not Transfers In                    | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Other Financing Sources - Transfers In Only – 52XX Transfers  | 43,530.37      | 42,981.37    | 549.00     | 42,981.00    | 0.37       |          |
| Other Financing Uses - Not Transfers Out                      | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Other Financing Uses - Transfers Out Only                     | 22,314.07      | 22,314.07    | 0.00       | 22,314.00    | 0.07       |          |
| Total Other Financing Sources, Uses and Transfers             | 21,216.30      | 20,667.30    | 549.00     | 20,667.00    | 0.30       |          |
| Net Change in Fund Balance                                    | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Beginning Fund Balance - July 1                               | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Ending Balance - June 30                                      | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
|   | Un-audited AFR | Audited AFR  | Difference | Audit Report | Difference | Comments |
| On-Behalf Payments Comparison - Fund 2                        |                |              |            |              |            |          |
| Revenue (State) - 3900 (On-Behalf Payments) not project 168X  | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3900 (On-Behalf Payments) project 168X only | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Expenditures-On Behalf without object 168X                    | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Expenditures-On Behalf with object 168X only                  | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |
| Difference  | 0.00           | 0.00         | 0.00       | 0.00         | 0.00       |          |

|  | Un-audited AFR | Audited AFR | Difference | Audit Report | Difference  | Comments                                       |
|--|----------------|-------------|------------|--------------|-------------|--|
| <b>Fund 310 (Capital Outlay) (310)</b>                       |                |             |            |              |             |  |
| Revenue (Local) - 1XXX                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Revenue (State) – 3XXX                                       | 161,948.00     | 161,948.00  | 0.00       | 161,948.00   | 0.00        |  |
| Total Revenues   | 161,948.00     | 161,948.00  | 0.00       | 161,948.00   | 0.00        |  |
| Expenditures-Not including Transfers Out                     | 161,948.00     | 161,948.00  | 0.00       | 161,948.00   | 0.00        |  |
| Total Expenditures   | 161,948.00     | 161,948.00  | 0.00       | 161,948.00   | 0.00        |  |
| Excess (Deficiency) of Revenues Over Expenditures            | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Sources - Not Transfers In                   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Sources - Transfers In Only – 52XX Transfers | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Total Other Financing Sources, Uses and Transfers            | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Net Change in Fund Balance                                   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Beginning Fund Balance - July 1                              | 0.00           | 0.00        | 0.00       | 115,086.00   | -115,086.00 | Beginning balance difference to be determined  |
| Ending Balance - June 30                                     | 0.00           | 0.00        | 0.00       | 115,086.00   | -115,086.00 |  |
| <b>Fund 320 (Building) (320)</b>                             |                |             |            |              |             |  |
| Revenue (Local) - 1XXX                                       | 437,350.00     | 437,350.00  | 0.00       | 437,350.00   | 0.00        |  |
| Revenue (State) – 3XXX                                       | 139,997.00     | 139,997.00  | 0.00       | 139,997.00   | 0.00        |  |
| Total Revenues   | 577,347.00     | 577,347.00  | 0.00       | 577,347.00   | 0.00        |  |
| Expenditures-Not including Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Total Expenditures   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Excess (Deficiency) of Revenues Over Expenditures            | 577,347.00     | 577,347.00  | 0.00       | 577,347.00   | 0.00        |  |
| Other Financing Sources - Not Transfers In                   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Sources - Transfers In Only – 52XX Transfers | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00        |  |
| Other Financing Uses - Transfers Out Only                    | 520,886.22     | 520,886.22  | 0.00       | 520,886.00   | 0.22        |  |
| Total Other Financing Sources, Uses and Transfers            | -520,886.22    | -520,886.22 | 0.00       | -520,886.00  | -0.22       |  |
| Net Change in Fund Balance                                   | 56,460.78      | 56,460.78   | 0.00       | 56,461.00    | -0.22       |  |
| Beginning Fund Balance - July 1                              | 0.00           | 0.00        | 0.00       | 13,206.00    | -13,206.00  | Beginning balance differences to be determined |
| Ending Balance - June 30                                     | 56,460.78      | 56,460.78   | 0.00       | 69,667.00    | -13,206.22  |  |

|  | Un-audited AFR | Audited AFR | Difference | Audit Report | Difference | Comments                                      |
|--|----------------|-------------|------------|--------------|------------|---|
| Fund 360 (Construction) (360)                                |                |             |            |              |            |   |
| Revenue (Local) - 1XXX                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Revenue (State) – 3XXX                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Revenue (State) - 3900 (On-Behalf Payments)                  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Revenue (Federal) – 4XXX                                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Total Revenues   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Expenditures-Not including Transfers Out                     | 52,708.50      | 52,708.50   | 0.00       | 52,708.00    | 0.50       |   |
| Expenditures-On Behalf                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Total Expenditures   | 52,708.50      | 52,708.50   | 0.00       | 52,708.00    | 0.50       |   |
| Excess (Deficiency) of Revenues Over Expenditures            | -52,708.50     | -52,708.50  | 0.00       | -52,708.00   | -0.50      |   |
| Other Financing Sources - Not Transfers In - Not 52XX        | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Other Financing Sources - Transfers In Only – 52XX Transfers | 48,367.14      | 48,367.14   | 0.00       | 48,367.00    | 0.14       |   |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Total Other Financing Sources, Uses and Transfers            | 48,367.14      | 48,367.14   | 0.00       | 48,367.00    | 0.14       |   |
| Net Change in Fund Balance                                   | -4,341.36      | -4,341.36   | 0.00       | -4,341.00    | -0.36      |   |
| Beginning Fund Balance - July 1                              | 0.00           | 0.00        | 0.00       | 4,341.00     | -4,341.00  | Beginning balance difference to be determined |
| Ending Balance - June 30                                     | -4,341.36      | -4,341.36   | 0.00       | 0.00         | -4,341.36  |   |
|  | Un-audited AFR | Audited AFR | Difference | Audit Report | Difference | Comments                                      |
| On-Behalf Payments Comparison - Fund 360                     |                |             |            |              |            |   |
| On-Behalf Revenues by Fund                                   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| On-Behalf Expenditures by Fund                               | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |
| Difference   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |   |

|  | Un-audited AFR | Audited AFR   | Difference  | Audit Report | Difference  | Comments                    |
|--|----------------|---------------|-------------|--------------|-------------|-----------------------------|
| Fund 400 - Debt Service Fund                                 |                |               |             |              |             |                             |
| Revenue Local (1XXX)   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Revenue State (3XXX)   | 0.00           | 0.00          | 0.00        | 320,561.00   | -320,561.00 | See page 36 of audit report |
| Total Revenues   | 0.00           | 0.00          | 0.00        | 320,561.00   | -320,561.00 |                             |
| Expenditures - Not Including Transfers Out                   | 747,890.14     | 1,133,346.88  | -385,456.74 | 1,133,347.00 | -0.12       |                             |
| Total Expenditures   | 747,890.14     | 1,133,346.88  | -385,456.74 | 1,133,347.00 | -0.12       |                             |
| Excess (Deficiency) of Revenues Over Expenditures            | -747,890.14    | -1,133,346.88 | 385,456.74  | -812,786.00  | -320,560.88 |                             |
| Other Financing Sources - Not Transfers In                   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Sources - Transfers In Only – 52XX Transfers | 747,890.14     | 812,785.71    | -64,895.57  | 812,786.00   | -0.29       |                             |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Total Other Financing Sources, Uses and Transfers            | 747,890.14     | 812,785.71    | -64,895.57  | 812,786.00   | -0.29       |                             |
| Net Change in Fund Balance                                   | 0.00           | -320,561.17   | 320,561.17  | 0.00         | -320,561.17 | See page 36 of audit report |
| Beginning Fund Balance - July 1                              | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Ending Balance - June 30                                     | 0.00           | -320,561.17   | 320,561.17  | 0.00         | -320,561.17 |                             |
|  | Un-audited AFR | Audited AFR   | Difference  | Audit Report | Difference  | Comments                    |
| Fund 410 - Debt Service Fund - SFCC                          |                |               |             |              |             |                             |
| Revenue Local (1XXX)   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Revenue State (3XXX)   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Total Revenues   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Expenditures - Not Including Transfers Out                   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Total Expenditures   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Excess (Deficiency) of Revenues Over Expenditures            | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Sources - Not Transfers In                   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Sources - Transfers In Only – 52XX Transfers | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Uses - Not Transfers Out                     | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Total Other Financing Sources, Uses and Transfers            | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Net Change in Fund Balance                                   | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Beginning Fund Balance - July 1                              | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |
| Ending Balance - June 30                                     | 0.00           | 0.00          | 0.00        | 0.00         | 0.00        |                             |

|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments                                       |
|--|----------------|---------------|---------------|---------------|---------------|--|
| Total Governmental Funds   |                |               |               |               |               |  |
| Total Revenues - Governmental Funds                                    | 16,800,583.09  | 20,116,110.57 | -3,315,527.48 | 20,841,251.00 | -725,140.43   | See explanations above                         |
| Total Expenditures - Governmental Funds                                | 16,901,087.39  | 20,489,784.30 | -3,588,696.91 | 20,489,783.00 | 1.30          |  |
| Excess (Deficiency) of Revenues Over Expenditures - Governmental Funds | -100,504.30    | -373,673.73   | 273,169.43    | 351,468.00    | -725,141.73   |  |
| Total Other Financing Sources, Uses and Transfers - Governmental Funds | 392,214.40     | 456,560.97    | -64,346.57    | 51,980.00     | 404,580.97    |  |
| Net Change in Fund Balance - Governmental Funds                        | 291,710.10     | 82,887.24     | 208,822.86    | 403,448.00    | -320,560.76   |  |
| Beginning Fund Balance - July 1 - Governmental Funds                   | 2,010,986.64   | 2,010,986.64  | 0.00          | 2,819,283.00  | -808,296.36   |  |
| Ending Fund Balance - June 30 - Governmental Funds                     | 2,302,696.74   | 2,093,873.88  | 208,822.86    | 3,222,731.00  | -1,128,857.12 |  |
|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments                                       |
| Food Service - Funds 51 and 81 (510) (810)                             |                |               |               |               |               |  |
| Operating Revenue - Not Interest Income (Local) - 1XXX                 | 330,949.19     | 330,949.19    | 0.00          | 330,949.00    | 0.19          |  |
| Total Operating Revenues   | 330,949.19     | 330,949.19    | 0.00          | 330,949.00    | 0.19          |  |
| Expenditures-Not including Transfers Out or On-behalf                  | 970,580.92     | 1,026,417.92  | -55,837.00    | 1,091,154.00  | -64,736.08    |  |
| Expenditures-On Behalf   | 0.00           | 64,737.00     | -64,737.00    | 0.00          | 64,737.00     |  |
| Expenditures - Depreciation Only (Fund 81)                             | 0.00           | 15,108.84     | -15,108.84    | 15,109.00     | -0.16         |  |
| Total Operating Expenses   | 970,580.92     | 1,106,263.76  | -135,682.84   | 1,106,263.00  | 0.76          |  |
| Operating Income (Loss)  | -639,631.73    | -775,314.57   | 135,682.84    | -775,314.00   | -0.57         |  |
| Non-Operating Revenue - Interest Income Only (Local) - 1510            | 437.02         | 437.02        | 0.00          | 437.00        | 0.02          |  |
| Revenue (State) - 3XXX   | 10,621.00      | 10,621.00     | 0.00          | 75,358.00     | -64,737.00    |  |
| Revenue (State) - 3900 (On-Behalf Payments)                            | 0.00           | 64,737.00     | -64,737.00    | 0.00          | 64,737.00     |  |
| Donated Commodities - 4550   | 0.00           | 55,837.00     | -55,837.00    | 55,837.00     | 0.00          |  |
| Revenue (Federal) - 4XXX, not 4550                                     | 599,826.00     | 599,826.00    | 0.00          | 599,826.00    | 0.00          |  |
| Revenue (Other) - Not transfers In- 5XXX                               | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Expenditures Other - Not Transfers Out                                 | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Revenue Fund 81 (All)  | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Expenditures Fund 81 - Not Depreciation                                | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Total Non-Operating Revenues (Expenses) Before Transfers               | 610,884.02     | 731,458.02    | -120,574.00   | 731,458.00    | 0.02          |  |
| Other Financing Sources - Transfers In Only - 52XX Transfers           | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Other Financing Uses - Transfers Out Only                              | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Net Transfers In (Out)   | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Change in Net Assets   | -28,747.71     | -43,856.55    | 15,108.84     | -43,856.00    | -0.55         |  |
| Beginning Net Assets - July 1  | 63,334.42      | 63,334.42     | 0.00          | 201,889.00    | -138,554.58   | Beginning balance differences to be determined |
| Beginning Net Assets - July 1  | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |  |
| Fund 51 and 81 Ending Net Assets - June 30                             | 34,586.71      | 19,477.87     | 15,108.84     | 158,033.00    | -138,555.13   |  |

|  | Un-audited AFR | Audited AFR | Difference | Audit Report | Difference | Comments |
|--|----------------|-------------|------------|--------------|------------|----------|
| Day Care Operations - Fund 52                                |                |             |            |              |            |          |
| Operating Revenue - Not Interest Income (Local) - 1XXX       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Operating Revenues                                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Expenditures-Not including Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Expenditures - Depreciation Only (Fund 81)                   | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Operating Expenses                                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Operating Income (Loss)                                      | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue - Interest Income Only (Local) - 1510                | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3XXX                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3900 (On-Behalf Payments)                  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (Federal) - 4XXX, not 4550                           | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (Other) - Not transfers In- 5XXX                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Expenditures Other - Not Transfers Out                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Non-Operating Revenues (Expenses) Before Transfers     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Other Financing Sources - Transfers In Only - 52XX Transfers | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Net Transfers In (Out)                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Net Income (Loss)  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Beginning Net Assets - July 1                                | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Ending Net Assets - June 30                                  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |

|  | Un-audited AFR | Audited AFR | Difference | Audit Report | Difference | Comments |
|--|----------------|-------------|------------|--------------|------------|----------|
| Adult Education operations - Fund 54                         |                |             |            |              |            |          |
| Operating Revenue - Not Interest Income (Local) - 1XXX       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Operating Revenues                                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Expenditures-Not including Transfers Out                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Operating Expenses                                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Operating Income (Loss)                                      | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Operating Revenue - Interest Income Only (Local) - 1510      | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3XXX                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (State) - 3900 (On-Behalf Payments)                  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (Federal) - 4XXX, not 4550                           | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Revenue (Other) - Not transfers In- 5XXX                     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Expenditures Other - Not Transfers Out                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Total Non-Operating Revenues (Expenses) Before Transfers     | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Other Financing Sources - Transfers In Only - 52XX Transfers | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Other Financing Uses - Transfers Out Only                    | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Net Transfers In (Out)                                       | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Net Income (Loss)  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Beginning Net Assets - July 1                                | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |
| Ending Net Assets - June 30                                  | 0.00           | 0.00        | 0.00       | 0.00         | 0.00       |          |



|  | Un-audited AFR | Audited AFR  | Difference  | Audit Report | Difference  | Comments  |
|--|----------------|--------------|-------------|--------------|-------------|-----------|
| Other Enterprise (Proprietary) Funds - 5X                                    |                |              |             |              |             |           |
| Operating Revenue - Not Interest Income (Local) - 1XXX                       | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Total Operating Revenues   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Expenditures-Not including Transfers Out                                     | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Total Operating Expenses   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Operating Income (Loss)  | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Revenue - Interest Income Only (Local) - 1510                                | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Revenue (State) - 3XXX   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Revenue (State) - 3900 (On-Behalf Payments)                                  | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Revenue (Federal) - 4XXX, not 4550   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Revenue (Other) - Not transfers In- 5XXX                                     | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Expenditures Other - Not Transfers Out                                       | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Total Non-Operating Revenues (Expenses) Before Transfers                     | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Other Financing Sources - Transfers In Only - 52XX Transfers                 | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Other Financing Uses - Transfers Out Only                                    | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Net Transfers In (Out)   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Net Income (Loss)  | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Beginning Net Assets - July 1  | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Ending Net Assets - June 30  | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
|  | Un-audited AFR | Audited AFR  | Difference  | Audit Report | Difference  | Comments  |
| Total Proprietary Funds  |                |              |             |              |             |           |
| Total Operating Revenues - Proprietary Funds                                 | 330,949.19     | 330,949.19   | 0.00        | 330,949.00   | 0.19        |           |
| Total Operating Expenses - Proprietary Funds                                 | 970,580.92     | 1,106,263.76 | -135,682.84 | 1,106,263.00 | 0.76        |           |
| Operating Income (Loss) - Proprietary Funds                                  | -639,631.73    | -775,314.57  | 135,682.84  | -775,314.00  | -0.57       |           |
| Total Non-Operating Revenues (Expenses) Before Transfers - Proprietary Funds | 610,884.02     | 731,458.02   | -120,574.00 | 731,458.00   | 0.02        |           |
| Net Transfers In (Out) - Proprietary Funds                                   | 0.00           | 0.00         | 0.00        | 0.00         | 0.00        |           |
| Net Income (Loss) - Proprietary Funds  | -28,747.71     | -43,856.55   | 15,108.84   | -43,856.00   | -0.55       |           |
| Net Assets, July 1, 2008 - Proprietary Funds                                 | 63,334.42      | 63,334.42    | 0.00        | 201,889.00   | -138,554.58 | See above |
| Net Assets, June 30, 2009 - Proprietary Funds                                | 34,586.71      | 19,477.87    | 15,108.84   | 158,033.00   | -138,555.13 |           |

|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments  |
|---|----------------|---------------|---------------|--------------|---------------|---|
| Fiscal Agent Funds - Fund 6X                            |                |               |               |              |               |   |
| Additions (Local) - 1XXX                                | 0.00           | 0.00          | 0.00          | 3,925,000.00 | -3,925,000.00 |   |
| Additions (State) – 3XXX                                | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Total Additions   | 0.00           | 0.00          | 0.00          | 3,925,000.00 | -3,925,000.00 |   |
| Deductions  | 3,926,195.85   | 3,926,195.85  | 0.00          | 3,926,196.00 | -0.15         | See page 38 of audit report; Kentucky Content Literacy Consortium . |
| Total Deductions  | 3,926,195.85   | 3,926,195.85  | 0.00          | 3,926,196.00 | -0.15         |   |
| Change in Net Assets                                    | -3,926,195.85  | -3,926,195.85 | 0.00          | -1,196.00    | -3,924,999.85 |   |
| Beginning Net Assets - July 1                           | 0.00           | 0.00          | 0.00          | 2,125.00     | -2,125.00     |   |
| Ending Net Assets - June 30                             | -3,926,195.85  | -3,926,195.85 | 0.00          | 929.00       | -3,927,124.85 |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments  |
| Trust and Agency Funds - Fund 7XXX                      |                |               |               |              |               |   |
| Additions (Local) - 1XXX                                | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Additions (State) – 3XXX                                | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Total Additions   | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Deductions  | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Total Deductions  | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Change in Net Assets                                    | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Beginning Net Assets - July 1                           | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
| Ending Net Assets - June 30                             | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments  |
| Total Fiduciary Funds                                   |                |               |               |              |               |   |
| Total Additions - Fiduciary Funds                       | 0.00           | 0.00          | 0.00          | 3,925,000.00 | -3,925,000.00 |   |
| Total Deductions - Fiduciary Funds                      | 3,926,195.85   | 3,926,195.85  | 0.00          | 3,926,196.00 | -0.15         | See above   |
| Change in Net Assets - Fiduciary funds                  | -3,926,195.85  | -3,926,195.85 | 0.00          | -1,196.00    | -3,924,999.85 |   |
| Beginning Net Assets July 1 - Fiduciary Funds           | 0.00           | 0.00          | 0.00          | 2,125.00     | -2,125.00     |   |
| Ending Net Assets - June 30 - Fiduciary Funds           | -3,926,195.85  | -3,926,195.85 | 0.00          | 929.00       | -3,927,124.85 |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments  |
| Fund 51 On-Behalf Payments Comparison                   |                |               |               |              |               |   |
| Fund 51 - On-Behalf Revenues                            | 0.00           | 64,737.00     | -64,737.00    | 0.00         | 64,737.00     | On behalf payments are not separated; see page 17 of audit report   |
| Fund 51 - On-Behalf Expenditures                        | 0.00           | 64,737.00     | -64,737.00    | 0.00         | 64,737.00     |   |
| Fund 51 - Difference On-Behalf Revenues to Expenditures | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments  |
| Depreciation Expense (0740)                             |                |               |               |              |               |   |
| Depreciation Expense - Fund 8                           | 769.74         | 1,083,450.38  | -1,082,680.64 | 1,083,450.00 | 0.38          | Refer to page 29 of audit report                                    |
| Depreciation Expense - Fund 81                          | 0.00           | 15,108.84     | -15,108.84    | 15,109.00    | -0.16         | Refer to page 29 of audit report                                    |

|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments  |
|---|----------------|---------------|---------------|---------------|---------------|---|
| On-Behalf Payments Comparison - Total All Funds |                |               |               |               |               |   |
| On-Behalf Payments (AFR - KDE Web)              | 0.00           | 3,208,624.00  | -3,208,624.00 | 3,121,659.77  | 86,964.23     | See KDE website   |
| On-Behalf Payments (Audit)                      | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          | On behalf payments are not separated; see page 34 of audit report total sum \$3,143,887 |
| On-Behalf Payments (Audit - KDE Web)            | 0.00           | -3,208,624.00 | 3,208,624.00  | -3,121,659.77 | -86,964.23    |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments  |
| Government Assets - Fund 8                      |                |               |               |               |               |   |
| Additions                                       | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Deductions                                      | 769.74         | 1,083,450.38  | -1,082,680.64 | 0.00          | 1,083,450.38  | Not evaluating at this time   |
| Change Total assets                             | -769.74        | -1,083,450.38 | 1,082,680.64  | 0.00          | -1,083,450.38 |   |
| Beginning Net Assets - July 1                   | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Ending Net Assets - June 30                     | -769.74        | -1,083,450.38 | 1,082,680.64  | 0.00          | -1,083,450.38 |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments  |
| Food Service Assets - Fund 81                   |                |               |               |               |               |   |
| Additions                                       | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Deductions                                      | 0.00           | 15,108.84     | -15,108.84    | 0.00          | 15,108.84     | Not evaluating at this time   |
| Change Total assets                             | 0.00           | -15,108.84    | 15,108.84     | 0.00          | -15,108.84    |   |
| Beginning Net Assets - July 1                   | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Ending Net Assets - June 30                     | 0.00           | -15,108.84    | 15,108.84     | 0.00          | -15,108.84    |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments  |
| Day Care Assets - Fund 82                       |                |               |               |               |               |   |
| Additions                                       | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Deductions                                      | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Change Total assets                             | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Beginning Net Assets - July 1                   | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Ending Net Assets - June 30                     | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
|   | Un-audited AFR | Audited AFR   | Difference    | Audit Report  | Difference    | Comments  |
| Adult Education Assets - Fund 84                |                |               |               |               |               |   |
| Additions                                       | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Deductions                                      | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Change Total assets                             | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Total Assets - July 1, 2008                     | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |
| Total Assets - June 30, 2009                    | 0.00           | 0.00          | 0.00          | 0.00          | 0.00          |   |

|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments |
|--|----------------|---------------|---------------|--------------|---------------|----------|
| Other Enterprise (Proprietary) Fund Assets - Fund 8X |                |               |               |              |               |          |
| Additions  | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Deductions   | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Change Total assets                                  | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Beginning Net Assets - July 1                        | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Ending Net Assets - June 30                          | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
|  | Un-audited AFR | Audited AFR   | Difference    | Audit Report | Difference    | Comments |
| Total Fixed Assets                                   |                |               |               |              |               |          |
| Total Additions - Fixed Assets                       | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Total Deductions - Fixed Assets                      | 769.74         | 1,098,559.22  | -1,097,789.48 | 0.00         | 1,098,559.22  |          |
| Change in Total Fixed Assets                         | -769.74        | -1,098,559.22 | 1,097,789.48  | 0.00         | -1,098,559.22 |          |
| Beginning Net Assets - July 1 - Fixed Assets         | 0.00           | 0.00          | 0.00          | 0.00         | 0.00          |          |
| Ending Net Assets - June 30 - Fixed Assets           | -769.74        | -1,098,559.22 | 1,097,789.48  | 0.00         | -1,098,559.22 |          |